

**THE AT&T LABS TECHNICAL REPORT
IS BASED ON FLAWED METHODOLOGY AND PREMISES**

1. The authors relied heavily on a single, unnamed "content verification site" (read: "pirate information site") to identify which movies were available online. The best-known of such pirate information sites is www.vcdquality.com. By the study's own admission, relying on the unnamed site results in eliminating "particularly poor copies" of movie files (para. 4.1.6, p. 9); camcords are generally the worst copies of movies, thus camcords were eliminated from this sample at a higher rate than other types of files, making the other files appear misleadingly prevalent.
2. Their definition of "insider" (i.e., internal leak) includes movies camcordinated at a pre-theatrical screening; under their definition of "insider," any title that appeared on the Internet before its theatrical release was an "insider" leak. See para. 4.1.5, pp. 8-9. Thus, any pre-theatrical camcord that passed quality muster and was included on the "verification site" was automatically deemed to be an insider.
3. Their definition of "insider" also includes any film with a visible watermark. Because studios may mark theatrical prints for in-theater screenings, a camcord that appeared post-theatrical release, but that had a visible watermark, would be counted as an "insider."
4. Their definition of "insider" also includes telesync camcords, where someone may have patched into the theater's audio. Their conclusion is that this (1) had to be a theater employee, and (2) that the theater employee is an "insider," neither of which is necessarily true.
5. This study throws theatrical and home video releases into the same pot. When one refers only to theatrical release titles, the vast majority of those online are camcordinated (80% or more).
6. If one looks at their numbers, one can see the truth emerge: 1.7 % of the titles in their study had incomplete video or audio editing (a decent sign of an internal leak); if we throw in watermarks (a possible, but not complete indicator of a leak) as a concession, that makes up 12 %. Assuming some of the watermarked copies had incomplete editing, we can say 13% of the titles were "insiders." This more closely approaches an accurate figure.